

## **CIGNA HEALTHCARE OF TENNESSEE, INC. .**

Initially received a certificate of authority on 12/31/84 as HCA Care, Inc.

On 4/15/86, the name was changed to HCA Care of TN, Inc. On 11/12/86, the name was changed to Equicor Health Plan, Inc. On until 7/1/91, the name was changed to CIGNA Healthplan of TN, Inc.

On 8/16/93, the name was changed to CIGNA HealthCare of Tennessee, Inc.

On October 29, 1998 Healthsource of Tennessee, Inc. (lic. 2/4/86 as Tennessee First, Inc.) merged into CIGNA

### **LOCAL ADDRESS:**

1000 Corporate Ctr. Suite 500 - Franklin, TN 37067 - (615) 595-3370

### **CORPORATE ADDRESS:**

1000 Corporate Ctr. Suite 500 - Franklin, TN 37067 - (615) 595-3370

### **WEBSITE ADDRESS:**

[www.cigna.com](http://www.cigna.com)

### **Service Area by County**

<b>West Tennessee Area:</b>	Fayette, Shelby and Tipton
<b>Middle Tennessee Area:</b>	Cannon, Cheatham, Coffee, Davidson, DeKalb, Dickson, Franklin, Hickman, Macon, Marion, Maury Montgomery, Overton, Robertson, Rutherford, Sequatchie, Smith, Sumner, Trousdale, Warren, Williamson, and Wilson
<b>East Tennessee Area:</b>	Anderson, Bledsoe, Blount, Bradley, Campbell, Carter, Clairborne, Cocke, Grainger, Greene, Hamblen, Hamilton, Hancock, Hawkins, Jefferson, Johnson, Knox, Loudon, McMinn, Meigs, Monroe, Morgan, Polk, Rhea, Roane, Scott, Sevier, Sullivan, Unicoi, Union, and Washington

The Independent Review Organization for this HMO is Hays Plus and Medical Care Mangement Corporation.

### **IRO APPEALS**

year ending 12/31/2004

<b>Number Requested</b>	<b>Resolved in favor of member</b>	<b>Resolved in favor of HMO</b>
2	1	1

year ending 12/31/2003	2	1	1
year ending 12/31/2002	0	0	0
year ending 12/31/2001	2	2	0
year ending 12/31/2000	2	1	1
year ending 12/31/1999	0	0	0

If you have a complaint about your CIGNA HMO, please call the number printed on your ID card.

## HMO GRIEVANCE STATISTICS

### NUMBER OF GRIEVANCES/INQUIRIES FOR 2004

of the grievances reported **55%** were resolved successfully  
of the grievances reported **45%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	Number of written grievances	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
1) availability/delivery of service	67256	107	107	31	76
2) claim payment/amount of payment	118402	55	55	24	31
3) contract terms and conditions	56156	217	217	93	124
4) other	31960	195	195	111	84
<b>TOTAL</b>	<b>273774</b>	<b>574</b>	<b>574</b>	<b>259</b>	<b>315</b>

### NUMBER OF GRIEVANCES/INQUIRIES FOR 2003

of the grievances reported **56%** were resolved successfully  
of the grievances reported **44%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	Number of written grievances	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
1) availability/delivery of service	48220	94	94	23	71
2) claim payment/amount of payment	189213	47	47	23	24
3) contract terms and conditions	262039	211	211	85	126
4) other	51707	147	147	89	58
<b>TOTAL</b>	<b>551179</b>	<b>499</b>	<b>499</b>	<b>220</b>	<b>279</b>

### NUMBER OF GRIEVANCES/INQUIRIES FOR 2002

of the grievances reported **46%** were resolved successfully  
of the grievances reported **54%** were resolved adversely

<b>CATEGORY</b>	<b>Number of Inquiries to the HMO</b>	<b>Number of written grievances</b>	<b>Number of resolved grievances</b>	<b>Number of adverse decisions</b>	<b>Number of successful resolutions</b>
1) availability/delivery of service	56499	34	34	17	17
2) claim payment/amount of payment	255148	18	18	6	12
3) contract terms and conditions	239945	63	63	39	24
4) other	110860	93	93	50	43
<b>TOTAL</b>	<b>662452</b>	<b>208</b>	<b>208</b>	<b>112</b>	<b>96</b>

#### **NUMBER OF GRIEVANCES/INQUIRIES FOR 2001**

of the grievances reported **52%** were resolved successfully  
of the grievances reported **48%** were resolved adversely

<b>CATEGORY</b>	<b>Number of Inquiries to the HMO</b>	<b>Number of written grievances</b>	<b>Number of resolved grievances</b>	<b>Number of adverse decisions</b>	<b>Number of successful resolutions</b>
1) availability/delivery of service	128	105	105	50	55
2) claim payment/amount of payment	2966	110	110	26	84
3) contract terms and conditions	784	93	93	85	8
4) other	2934	1643	1643	763	871
<b>TOTAL</b>	<b>6812</b>	<b>1951</b>	<b>1951</b>	<b>924</b>	<b>1018</b>

#### **NUMBER OF GRIEVANCES/INQUIRIES FOR 2000**

of the grievances reported **58%** were resolved successfully  
of the grievances reported **42%** were resolved adversely

<b>CATEGORY</b>	<b>Number of Inquiries to the HMO</b>	<b>Number of written grievances</b>	<b>Number of resolved grievances</b>	<b>Number of adverse decisions</b>	<b>Number of successful resolutions</b>
1) availability/delivery of service	1702	22	22	16	6
2) claim payment/amount of payment	18138	108	108	18	96
3) contract terms and conditions	2633	13	13	9	4
4) other	1078	719	714	319	394
<b>TOTAL</b>	<b>23551</b>	<b>862</b>	<b>857</b>	<b>362</b>	<b>500</b>

#### **NUMBER OF GRIEVANCES/INQUIRIES FOR 1999**

of the grievances reported **56%** were resolved successfully

of the grievances reported **44%** were resolved adversely

<b>CATEGORY</b>	<b>Number of Inquiries to the HMO</b>	<b>Number of written grievances</b>	<b>Number of resolved grievances</b>	<b>Number of adverse decisions</b>	<b>Number of successful resolutions</b>
1) availability/delivery of service	573	21	21	0	21
2) claim payment/amount of payment	5,318	163	163	80	83
3) contract terms and conditions	4,594	505	505	371	134
4) other	2,279	652	652	139	514
<b>TOTAL</b>	<b>12,764</b>	<b>1,341</b>	<b>1,341</b>	<b>590</b>	<b>752</b>

#### **NUMBER OF GRIEVANCES/INQUIRIES FOR 1998**

of the grievances reported **41%** were resolved successfully  
of the grievances reported **59%** were resolved adversely

<b>CATEGORY</b>	<b>Number of Inquiries to the HMO</b>	<b>Number of written grievances</b>	<b>Number of resolved grievances</b>	<b>Number of adverse decisions</b>	<b>Number of successful resolutions</b>
1) availability/delivery of service	664	2	2	0	2
2) claim payment/amount of payment	771	188	188	158	30
3) contract terms and conditions	136	292	292	116	176
4) other	122	127	127	85	42
<b>TOTAL</b>	<b>1,693</b>	<b>609</b>	<b>609</b>	<b>359</b>	<b>250</b>

**PLEASE NOTE:** an adverse decision indicates the decision was against member, not that the HMO was incorrect  
a successful resolution means the grievance was resolved to the members satisfaction

## **10 YEAR MEMBER ENROLLMENT STATISTICS**

<b>Year</b>	<b>Individual Members</b>	<b>Medicare members</b>	<b>Group members</b>	<b>Number groups</b>	<b>TOTAL members</b>	<b>Average Annual</b>
ending 12/31/04	0	0	85,583	178	85,583	73,991
ending 12/31/03	9	0	85,390	324	85,399	81,115
ending 12/31/02	14	0	72817	347	72831	69138
ending 12/31/01	15	0	83,949	365	83,406	83,949
ending 12/31/00	16	2,827	101,667	334	101,683	106,596
ending 12/31/99	15	2,995	362,613	1,253	365,623	365,457
ending 12/31/98	164	2,358	315,957	1,518	318,479	319,472

ending 12/31/97	159	340	301,794	1,390	302,293	290,378
ending 12/31/96	100	0	251,404	1,253	251,504	234,583
ending 12/31/95	92	0	151,758	904	151,850	171,156
ending 12/31/94	38	0	143,323	655	143,361	117,736

**CIGNA HEALTHCARE OF TN, INC.**

	As of 3/31/2005	As of 6/30/2005	As of 9/30/2005	As of 12/31/2005
ASSETS	\$62,617,100	\$51,627,220	\$53,625,662	\$46,905,387
LIABILITIES	\$26,539,669	\$22,865,950	\$21,690,096	\$22,951,149
TOTAL CAPITAL AND SURPLUS	\$36,077,431	\$28,761,270	\$31,935,566	\$23,954,238
NET INCOME	\$2,763,604	\$6,037,360	\$8,897,228	\$8,646,552
TOTAL MEDICAL AND HOSPITAL EXPENSES (current period)	\$41,054,843	\$85,294,564	\$130,288,021	\$182,203,902
PREMIUMS NON TN CARE	\$50,840,075	\$102,155,506	\$157,392,112	\$213,608,702
TOTAL ADMINISTRATIVE EXPENSES	\$6,737,747	\$5,534,039	\$11,492,231	\$21,314,541
UNCOVERED EXPENSES	c	\$ -		
RATIO OF MEDICAL EXPNESES TO PREMIUMS	80.75%	83.49%	82.78%	85.30%
RATIO OF ADMINISTRATIVE EXPNESES TO PREMIUMS	13.25%	5.42%	7.30%	9.98%